GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:4164
ANSWERED ON:12.12.2016
Khadi Institutions
Singh Shri Sunil Kumar

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the details of the Khadi Institutions functioning and its financial assets and liabilities in the country at present, Institution-wise and State/UT-wise;

(b) the number of employees working in the said Institutions at present, Institution-wise; and

(c) the steps taken/proposed to be taken by the Government to promote and provide special status to khadi?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a)&(b): State/UT-wise number of Khadi Institutions functioning in the country at present is given at Annexure − I.

As regards information regarding Institution-wise financial assets and liabilities is concerned, Ministry of MSME/Khadi and Village Industries Commission (KVIC) does not maintains data of assets and liabilities of the Institutions as they are independent autonomous bodies and free to make their own transactions and create any assets.

(c): To promote Khadi, the following new initiatives have been taken:

1. KVIC has applied to register "Khadi" as a word mark and "Khadi India" as a Trade mark in 27 classes for various products among 45 classes listed out in the Intellectual Property Rights Act at National Level as well as has filed an online application for registering "Khadi" as a trade mark under International bureau in European Union and other countries under 16 different class.

2. KVIC have introduced 'Khadi Mark' wherein producers of Khadi has to obtain Khadi Mark Certificate for attaching Khadi Mark label with the Khadi and Khadi product to be sold by them in the market. KVIC has given 'Khadi Mark' certification to groups such as Raymond's, Arvind Mills, Peter England-Birla group, etc. for increasing sale of khadi.

3. Khadi certification has been made online and simple to enable new companies to start Khadi venture.

4. KVIC has taken up designing and marketing of products targeting the youth of the country including introduction of khadi denim and khadi T-shirts.

5. KVIC has started e-commerce platform and franchisee system for online marketing of Khadi products and extending the marketing network. In this regard, proposal received from PayTm for launching KVI products online free of cost for 1st three months has been approved.

6. Guidelines have been issued, advising institutions for flexible pricing of their product at all levels so that the institutions can earn sufficient surplus to enhance earning of the artisans, associated with them, as much as possible.

7. For supporting implementation of Khadi programme, Govt. of India extends Market Development Assistance (MDA) to Khadi Institutions (KIs). Under the modified Market Promotion & Development Assistance (MPDA) scheme, financial assistance is provided to institutions @ 30% of Prime Cost of khadi & polyvastra, to be distributed amongst Artisans (40%), Producing Institutions (40%) & Selling Institutions (20%) through online transfer to KIs and 271796 artisans. KVIC has started disbursement of financial assistance to KIs as well as Artisans under DBT mode where the portion of Modified MDA (MMDA) is directly credited in their bank accounts.

8. KVIC also provides interest subvention for the bank finance for meeting capital requirement, under the Interest Subsidy Eligibility Certificate (ISEC) Scheme, availed by KIs. The subsidy under the scheme is also remitted directly to the cash credit account of KIs online.

9. KVIC as well as Khadi institutions are working with the reputed retailers to offer suitable online platform for retailing khadi and khadi products through digital marketing.

10. Export incentive of 5% of Freight On Board (FOB) value of direct export of Khadi products is provided to KVI institutions/units registered with KVIC. Besides, KVIC has also been focusing on quality participation in International Exhibitions and Buyer-Seller Meets abroad to tap new/emerging markets for Khadi products. KVIC has been given the status of 'Deemed Export Promotion

Council' by M/o Commerce & Industry, under which it has already registered more than 900 exporters.